

820 Bear Tavern Road, Suite 103 West Trenton, NJ 08628 609.989.2171

NOTICE OF AMENDMENT

UPS OVERNIGHT DELIVERY

July 13, 2012

Martin A. Fritz, President of Operations EQT Midstream 625 Liberty Avenue, Suite 1700 Pittsburgh, PA 15222

CPF 1-2012-1018M

Dear Mr. Fritz:

During the week of November 28, 2011, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected EQT Midstream's procedures for construction in Washington, PA.

On the basis of the inspection, PHMSA has identified the apparent inadequacy found within EQT Midstream's plans or procedures, as described below:

- 1. 192.13 What general requirements apply to pipelines regulated under this part?
 - (c) Each operator shall maintain, modify as appropriate, and follow the plans, procedures, and programs that it is required to establish under this part.

EQT failed to maintain adequate procedures that it was required to establish under 192.13(c).

Specifically, EQT Midstream's procedure, Design and Construction Manual, Design Standard Welding and Joining 3.1, Welding and Inspection Requirements, was inadequate in that it did not state that the acceptability of a weld that was visually inspected was determined according to the standards in Section 9 of API Standard 1104, as prescribed in 192.241(c).

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237. Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for

confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b). If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order.

If, after opportunity for a hearing, your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.237). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 30 days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

It is requested (not mandated) that EQT Midstream maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to, as well as any correspondence relating to this Notice to: Byron Coy, PE, Director, PHMSA Eastern Region, 820 Bear Tavern Road, Suite 103, W. Trenton, NJ 08628. Please refer to **CPF 1-2012-1018M** on each document you submit, and please provide a (signed) copy in electronic format whenever possible. Smaller files may be emailed to Byron.Coy@dot.gov. Larger files should be sent on a CD accompanied by the original (signed) paper copy to the Eastern Region Office.

Sincerely,

Byron Coy, PE

Director, Eastern Region

Pipeline and Hazardous Materials Safety Administration

Enclosure: Response Options for Pipeline Operators in Compliance Proceedings